**MINUTES - REGULAR MEETING**
**SANTA MARIA CITY COUNCIL**

**CITY HALL COUNCIL CHAMBERS**
**SANTA MARIA, CALIFORNIA**

**SEPTEMBER 16, 2014**

**INVOCATION:**
Pastor Paul Berry gave the Invocation.

**PLEDGE OF ALLEGIANCE TO THE FLAG:**
Councilmember Boysen led the Pledge of Allegiance.

**CALL TO ORDER:**
Mayor Patino called the meeting to order at 6:30 p.m.

**ROLL CALL:**
**MEMBERS PRESENT**
Councilmembers Boysen, Green, Orach, Zuniga, and Mayor Patino

**STAFF MEMBERS PRESENT**
City Manager Haydon, City Attorney Trujillo, Director of Community Development Appel, Deputy City Manager Barnhard, Police Division Commander Greene, City Librarian Housel, Utilities Business Manager Long, Fire Chief Orr, Director of Recreation and Parks Posada, Acting Director of Public Works Springer, Director of Utilities Sweet, Deputy City Manager Tse, Director of Administrative Services Visé, and Chief Deputy City Clerk Garietz.

**1. PROCLAMATIONS/PRESENTATIONS:**

**A. PRESENTATION OF THE 2014 SANTA MARIA VALLEY BEAUTIFUL AWARDS**
Santa Maria Valley Beautiful President Bob Engel gave a presentation recognizing the 2014 award recipients and presented a PowerPoint presentation of the winning landscaped yards. Mayor Patino presented award recipients with certificates.

**B. PROCLAMATION – CONSTITUTION WEEK**
Councilmember Orach read a proclamation declaring the week of September 17-23, 2014, as "Constitution Week" in the City of Santa Maria and asked the residents to reaffirm the ideals that the Framers of the Constitution had in 1787. The proclamation was received by Jean Mollenkopf Moore and Patti Swayze of the Captain Henry Sweetser Chapter of the Daughters of the American Revolution.

**C. PROCLAMATION – ACTIVE AGING WEEK**
Councilmember Green read a proclamation declaring the week of September 21-27, 2014, as "Active Aging Week" in the City of Santa Maria supporting the wellbeing of our senior population and future generations, and encouraged community members to remain active. The proclamation was received by members of the Active Aging Committee and Tom Dutart, President of the Santa Maria Valley Senior Citizens' Club. All were invited to join in the various activities being offered during Active Aging Week, including a free dance at the Edwin Mussell Senior Center, 510 E. Park Avenue, on Sunday, September 21, at 1:30pm.

**D. VOLUNTEER OF THE MONTH**
Councilmember Boysen presented Tahir Masood with a plaque and certificate of appreciation recognizing him as the Recreation and Parks Volunteer of the Month. President of the Santa Maria Noontime Rotarian Club and Utilities Business Manager Lisa Long also congratulated Mr. Masood on behalf of the Noontime Rotary Club and thanked him for his contributions to the community.

**2. PUBLIC COMMENT PERIOD (NOT TO EXCEED A TOTAL OF 15 MINUTES):**
There were no requests to speak.

**3. CONSENT CALENDAR:**
Consent Calendar Items 3A through 3I were approved on motion by Councilmember Boysen, seconded by Councilmember Zuniga, and carried on the following vote: 5-0

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| AYES: | Councilmembers Boysen, Green, Orach, Zuniga, and Mayor Patino |
| NOES: | None |
| ABSENT: | None |
| ABSTAIN: | None |

**A. ORDINANCES**
The reading in full of all ordinances and resolutions was waived. Ordinances on the Consent Calendar were adopted by the same vote cast at the first reading unless City Council indicated otherwise.

**B. MINUTES**
The Minutes of the Regular City Council meeting of September 2, 2014, were approved as submitted.

**C. WARRANTS**
Warrant Nos. 188357 to 188839 totaling $6,219,962.07 were ordered ratified subject to having been certified as being in conformity with the budget and having been approved for payment by the Director of Administrative Services. Warrant Nos. 187825, 188118, 188133, 183428, 188389, 188499, 188529, 188567, and 188604 were cancelled.

**D. PAYROLL**
Payment of payroll was ordered ratified subject to having been certified by the proper Department Heads, as shown on records on file in the Department of Administrative Services and having been approved for payment by the Director of Administrative Services.

**E. APPOINTMENT OF DEPUTY CITY TREASURERS**
The City Council approved the appointment by the City Treasurer of the Chief of Police and the Police Commander(s) as Deputy City Treasurers for the limited purposes of the Santa Maria Police Department's Expedited Claims Settlement Program.

**F. AGREEMENT FOR LIBRARY SERVICES**
Resolution No.2014-113 was adopted approving an agreement with the County of Santa Barbara, and the Cities of Santa Barbara and Lompoc for the operation of a Countywide Free Library System for 2014-15, and directing the Chief Deputy City Clerk to transmit the signed agreement to the County of Santa Barbara Community Services Department.

**Resolution No. 2014-113 adopted.** A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, APPROVING AN AGREEMENT BETWEEN THE COUNTY OF SANTA BARBARA, THE CITY OF LOMPOC, AND THE CITY OF SANTA BARBARA TO PROVIDE FOR THE OPERATION OF A COUNTYWIDE FREE LIBRARY SYSTEM.

**G. REMOVAL OF CROSSWALK ON DENA WAY**
Resolution No. 2014-114 was adopted approving the removal of a crosswalk on East Dena Way at the intersection of North Bay Avenue, crossing East Dena Way, approximately two-hundred and seventy (270) feet from the easterly right-of-way with Kensington Avenue.

**Resolution No. 2014-114 adopted**. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, ADOPTING THE REMOVAL OF A CROSSWALK ON EAST DENA WAY AT THE INTERSECTION OF NORTH BAY AVENUE PURSUANT TO SECTION 7-11.01 OF THE SANTA MARIA MUNICIPAL CODE

**H. REMOVAL OF CROSSWALK ON NORTH PALISADE DRIVE**
Resolution No. 2014-115 was adopted approving the removal of a crosswalk on at the intersection of East McElhaney Avenue, crossing North Palisade Drive, approximately three hundred and thirty-five (335) feet from the southerly right-of-way with Buckskin Drive.

**Resolution No. 2014-115 adopted**. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, ADOPTING THE REMOVAL OF A CROSSWALK ON NORTH PALISADE AT THE INTERSECTION OF EAST McELHANY AVENUE PURSUANT TO SECTION 7-11.01 OF THE SANTA MARIA MUNICIPAL CODE

**I. ORDINANCE – PROTECTIVE BICYCLE GEAR**
The City Council conducted the second reading and adopted Ordinance No. 2014-08 adding Section 7-10.11.A to the Santa Maria Municipal Code requiring the wearing of protective equipment while riding a bicycle in a City bicycle park.

**Ordinance No. 2014-08 adopted.** AN ORDINANCE OF THE CITY OF SANTA MARIA, CALIFORNIA, AMENDING SECTION 7-10.11 OF THE SANTA MARIA MUNICIPAL CODE TO REQUIRE THE WEARING OF PROTECTIVE EQUIPMENT WHILE RIDING A BICYCLE IN A BICYCLE PARK.

**REGULAR BUSINESS:**

**4. RECREATION AND PARKS GROWTH MITIGATION FEE CREDITS.** The City Council heard a request from The Towbes Group for a fee reduction from the Recreation and Parks Growth Mitigation Fees applied to the Hancock Terrace and Siena projects, and was requested to 1) provide direction to staff on whether or not to develop a process for determining credit against Recreation and Parks Growth Mitigation Fees during the upcoming Growth Mitigation Fee Study process; and 2) decide

whether or not to consider any credit for private recreation amenities provided by developers in multi-family projects that are part of a gated community and/or a non-gated community.

Recreation and Parks Director Posada gave a report as detailed in the Council Agenda Report. In September 1997, the City Council adopted Ordinance 97-10 that made provisions for the Recreation and Parks Commission to adopt an AB1600 Recreation and Parks Mitigation Fee Credit Policy. The policy pertained to credit for prime parkland, open space, and/or retardation basins. In 2007, there was a discussion between City staff and the development community regarding the program, but the program was never formally established or adopted.

In 2014, The Towbes Group requested a credit against Recreation and Parks Growth Mitigation Fees for the amenities provided at two of its projects, the Siena Apartments and Hancock Terrace. The Recreation and Parks Commission concluded a Mitigation Fee Credit Program would need to be addressed and adopted by the City Council.

The fee structure would need to be reexamined should the City Council choose to consider granting credit to developments providing private amenities. Recreation and Parks Growth Mitigation Fees are collected at the time of occupancy which may, for both projects, allow time for staff to evaluate and develop a fee credit program.

Acting Director of Public Works Springer gave an overview of the history of the Growth Mitigation Fee Program. He indicated that typically, a growth mitigation fee is charged to an applicant by a local governmental agency in connection with approval of a development project. The purpose of the fee is to defray all or a portion of the cost of public facilities related to the development project. The fee is determined by utilizing a list of public improvement projects necessary to maintain an acceptable level of municipal services. According to the Santa Maria Municipal Code, an applicant subject to growth mitigation fees may be eligible for a credit if the applicant assists in the construction of projects included in the Capital Improvement Plan. The request by The Towbes Group does not include projects in the Plan.

Director of Recreation & Parks Posada said the request being put forth by The Towbes Group is specific to Recreation and Parks mitigation fees only. He also noted that granting the request may lead to decreased funding to the Capital Improvement Plan causing decreased services in other areas.

Presentation by The Towbes Group.
Michael Towbes, representing The Towbes Group, agreed that many of the points Mr. Springer and Mr. Posada mentioned will be worked out during the development of the Growth Mitigation Plan as it is finalized. The Towbes Group believes that the amenities being offered at the Hancock Terrace and Siena projects, even though they are gated communities, will substantially reduce the impact on parks and public facilities in Santa Maria. Mr. Towbes said he understood that it may take several months to finalize the fee plan.

Public Input.
Chief Deputy City Clerk Garietz indicated that written correspondence was received from Brian Schwartz and Steve Amerikaner, both representatives of The Towbes Group, presenting an email dated March 21, 2014, containing information on more recent discussions of fee credits with the Director of Recreation & Parks, and requesting that the Council direct staff to complete the Recreation & Parks Growth Mitigation Fee Study by January 31, 2015, and defer collection of fees for six months after occupancy for the Siena Project to consider the results of the fee study. She indicated that the correspondence had been provided to Council and was available at the dais.

Ken Trigueiro, representing Peoples' Self-Help Housing (PSHH), spoke in favor of moving forward with the fee study and supporting the fee credits for The Towbes Group.

Councilmember Orach asked Mr. Trigueiro if, with all the outside funding from federal, city, state, and county resources provided to PSHH, they were required to pay fees.

Mr. Triguerio responded that they were required to pay fees, but might also make a request of the City to consider that the homes are affordable-housing.

Councilmember Boysen also responded to Councilmember Orach's question having been through the process of developing low-income housing with significant City and Federal Government support. When he asked for fee credits, the response was a firm no because of impacts that would be associated with the credit. He stated that all low-income housing projects pay fees just as everyone else is required to.

Ken Hough, representing the Santa Barbara County Action Network (SBCAN) spoke about the benefit of the City's parks and the amenities in single-family homes. He said he was not in support of fee credits for The Towbes Group indicating that many families would continue to utilize the amenities outside of their community.

Council discussion.
Councilmember Boysen asked for clarification about a 2008 letter sent to a developer proposing a 30 percent reduction in Recreation and Park mitigation fees.

Director of Recreation & Parks Posada responded the letter was written at the time a fee credit program was being discussed. The program was never adopted or approved. The economy took a downturn and prevented the project from being built. When a credit is considered for a particular project, each project in the development process is treated individually. Therefore, the letter would not have set a precedence for future projects.

Councilmember Zuniga indicated that she appreciated the business of The Towbes Group, and the nice projects they have done in the City. She indicated that she did not believe that residents with amenities in their development would not be using the City facilities and open spaces.

Councilmember Orach said he understood that the original committee considering fee credits was a sub-committee and did not involve a full growth mitigation development committee. He said he agreed with Ms. Zuniga that the parks would still be utilized by residents of a gated or non-gated community with or without amenities.

He asked City Manager Haydon for clarification on how the City of Santa Maria has handled fees over the last few years.

City Manager Haydon responded that the AB1600 Program is addressed every couple of years. During the 2007-2009 timeframe, the economy and the housing development came to a stop. The housing crisis happened and Measure A was passed which brought an influx of money into the Capital Improvement Plan which reduced overall costs. Staff was then able to reduce fees due to the Measure A projects that were coming forward. In 2011, the City chose to not update the AB1600 Program. It is now due to be updated this year.

Councilmember Green said the decision would need to be made following more research, possibly during the development of the Growth Mitigation Fee Program study.

Mayor Patino said she was not comfortable making a decision on the request without a policy in place. She agreed there should be a study and establishment of a policy before the Council could give an answer to The Towbes Group.

Councilmember Boysen supported the review of the update to the Growth Mitigation Fee Program. He indicated that bike lanes should be added to the projects list for Recreation and Parks. He agreed that credit should be considered for projects that alleviate the burden of those listed on the current Capital Improvement Plan. He agreed with Councilmembers Zuniga and Orach that residents of the two communities being discussed would utilize the City's facilities.

Direction to staff.
Councilmember Boysen made a motion to move forward with the Recreation & Parks Growth Mitigation Fee Study and to provide a deferral of fee payment for the Siena project only based on satisfactory financial security being posted. The motion was seconded by Councilmember Zuniga.

City Attorney Trujillo indicated that he wanted to clarify the security requirements which could be in the form of a bond, an irrevocable letter of credit, or a certificate of deposit.

Mr. Towbes responded that he would supply the required security as needed.

City Manager Haydon addressed questions that had come up in the last few days regarding: 1) timing and when the City had notified The Towbes Group that their AB1600 fees would be due; and 2) whether there was documentation that The Towbes Group knew what the fees were prior to last year. A memo dated in April of 2013 determined that Recreation and Parks had indicated to Urban Planning Concepts that they would not be able to qualify for a fee reduction for either the Siena or Hancock Terrace projects. In 2011, the Planned Development Permit, signed by The Towbes Group, acknowledged they were required to pay Recreation and Parks Mitigation Fees. In June 2013, another Planned Development Permit, signed by the Towbes Group, indicated they were required to pay AB1600 fees for Growth Mitigation Traffic and Recreation and Parks. However, upon further examination of that document, the signature page was not

the standard City signature page. It had been reformatted and retyped saying that The Towbes Group would be subject to impact fees approved by the City Council.

Mr. Towbes responded that a meeting had been held with City Planner Bill Scott where he obtained permission to add the text to the form at the time the form was signed. He also pointed out fee reductions are frequently discussed after a project is approved.

Councilmember Orach asked about The Towbes Group's other projects outside the City of Santa Maria, and asked if they were getting fee reductions from those projects.

Mr. Towbes said that two projects in the Goleta area had received 50 percent reductions on Recreation and Parks fees. He indicated that the City of Santa Barbara does not have a fee credit program.

Mayor Patino asked what the next steps in the process were.

City Manager Haydon responded the Engineering Department would hold a meeting for all interested parties in the development community putting forth a list of Capital projects. Developers who build projects in the City with a project on the list will then receive a fee credit for that project.

Acting Director of Public Works Springer gave an overview of the ad-hoc Growth Mitigation Fee Program Committee, how the Growth Mitigation Fees and list of projects were developed, and about how the development community is encouraged to participate in the process through various workshops. He indicated that the process took time and that the final approval rested with the City Council. The fee schedule was based on the fiscal year, and the target date was usually July 1st. He stated that the project list had been started early this year and he expected the first meetings to be held prior to the end of the calendar year.

Councilmember Boysen said he would support whatever the Committee decided as long as it was made clear that the fee credits would only be available when amenities take the burden off of specific Capital projects on the final list.

The City Council voted on the motion made by Councilmember Boysen to move forward with the Recreation & Parks Growth Mitigation Fee Study and to provide a deferral of the fee payment for the Siena project only, based on satisfactory financial security being posted, which had been seconded by Councilmember Zuniga, and carried on the following vote: 5-0

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| AYES: | Councilmembers Boysen, Green, Orach, Zuniga, and Mayor Patino |
| NOES: | None |
| ABSENT: | None |
| ABSTAIN: | None |

City Manager Haydon asked for clarification on deferring fees for the Siena project. He asked if the deferred fees will be based on as they exist today or on the updated Growth Mitigation Program once completed.

The City Council agreed the fees would be assessed at a rate not to exceed the current fees already established for the Siena project.

**REPORT BY CITY MANAGER:**
City Manager Haydon reported the October 7, 2014 Council meeting would be held in Shepard Hall at the Library as it will be a joint workshop with City Council and the Planning Commission to review the Downtown Specific Plan and the Entrada Specific Plan. He indicated that the live broadcast would not be available, but the meeting would be tape-delayed and shown at a later time. The agenda would also include a Call for Bids for the Paul Nelson Pool Renovation and two public hearings for Tax Equity and Fiscal Responsibility Act (TEFRA) regarding CALSTAR and Valentine Court Apartments.

**ORAL REPORTS OF COUNCILMEMBERS AND OFFICERS (INCLUDING AB1234 REPORTS):**
Councilmember Zuniga reported that she attended the Law Enforcement Appreciation Ceremony; volunteered at the Tastes of Mexico; attended the Block Grants Advisory Meeting; and a luncheon in Lompoc of the retiring Police Chief Larry Ralston.

Councilmember Orach reported that he attended a LAFCO meeting and the Tastes of Mexico.

Councilmember Green reported that he attended the Law Enforcement Appreciation Ceremony and delivered a eulogy for a church member at New Hope Missionary Church.

Councilmember Boysen reported that he attended a meeting with Utilities Director Sweet in Santa Barbara with the Central Coast Water Authority in anticipation of a meeting with the Department of Water and Power regarding a contract renewal for a State Water project.

Mayor Patino reported that she attended the meeting of the League of California Cities in Los Angeles; toured the new police facility in Santa Maria; attended the Quarterly Schools and the monthly C3H meetings; the "Lunch on Us" luncheon in the City Hall Courtyard; the Recovery Day 2014 event in Buena Vista Park; the September 11th Commemoration Fire Station No. 1; the Chamber of Commerce Trade Show at the Fairpark; and the Growing Possibilities Forum in Lompoc.

**ADJOURNMENT:**
There being no further business before the City Council, Mayor Patino declared the City Council meeting adjourned at 8:19 p.m.

APPROVED:

October 7, 2014
Date

Rhonda M. Garietz
Chief Deputy City Clerk of the City of Santa Maria and ex officio Clerk of the City Council

Alice M. Patino
Mayor of the City of Santa Maria

ATTEST:

Rhonda M. Garietz, CMC
Chief Deputy City Clerk